

PIERCE COUNTY COMBINED SPECIAL PURPOSE DISTRICTS
Pierce County, Washington
January 1, 1991 Through December 31, 1993

Schedule Of Findings) Key Peninsula Park And Recreation District

1. Key Peninsula Park And Recreation District Should Comply With Record Retention Requirements

Key Peninsula Park and Recreation District was not able to locate some of the records we requested during the audit. Minutes for 13 regular and special commissioners' meetings were missing and the official (signed copies) of several other meetings were not found. The bank statements for 1991 were also missing, however, the district was able to obtain copies from the bank. Several of the Miscellaneous Transmittal and Receipts (MTAR) for the three years under audit were also missing.

The State Archivist and the State Auditor, under authority of RCW 40.14.070, have established a records retention schedule for municipal corporations which requires minutes to be held permanently, receipts to be held for six years, and bank records to be held until after the audit.

The responsibility for maintaining the records of the district changed several times during the audit period. This personnel turnover resulted in the misplacement of some of these records. The lack of minutes and other records makes it difficult to audit and for the public to be kept informed on district activities.

We recommend the district retain official copies of minutes for all commissioners' meetings and retain all financial records in accordance with RCW 40.14.070.

2. Key Peninsula Park And Recreation District Should Comply With The Open Public Meetings Act

During our review of the minutes of Key Peninsula Park and Recreation District commissioners' meetings, we noted one executive session was held before a meeting was called to order and one executive session was held after adjournment of a meeting. There were also three instances where either the topic or the return time for the executive session was not noted in the minutes. On two other occasions the topic of discussion for the executive session was too vague to determine if it was allowable by statute.

In addition to listing allowable topics, RCW 42.30.110 states in part:

(1) Nothing contained in this chapter may be construed to prevent a governing body from holding an executive session during a regular or special meeting . . . [Emphasis added.]

It further states:

(2) Before convening in executive session, the presiding officer of a governing body shall publicly announce the purpose for excluding the public from the meeting place, and the time when the executive session will be concluded.

By not properly holding executive sessions, the district may have excluded information from the public. The district was not aware of the requirements of the Open Public Meetings Act of 1971, Chapter 42.30 RCW.

We recommend the district comply with all provisions of Chapter 42.30 RCW.

3. Key Peninsula Park And Recreation District Should Properly Account For Revenues And Expenditures

Key Peninsula Park and Recreation District maintains a petty cash account which is currently authorized at \$1,500. Based on our audit, it appears district revenues were being deposited into this petty cash account rather than being deposited with the district's treasurer, Pierce County. In addition, the expenditures from the petty cash account are not being replenished to the authorized amount through the Pierce County warrant system.

The Washington State Constitution Article XI, Section 15 states:

DEPOSIT OF PUBLIC FUNDS. All moneys, assessments and taxes belonging to or collected for the use of any county, city town or other public or municipal corporation, coming into the hands of any officer thereof, shall immediately be deposited with the treasurer, or other legal depositary to the credit of such city, town, or other corporation respectively, for the benefit of the funds to which they belong.

RCW 36.69.150 states:

The county treasurer of the county in which the district shall be located shall be the treasurer of the district, and expenditures shall be made upon warrants drawn by the county auditor pursuant to vouchers approved by the board of park and recreation commissioners.

By depositing district revenues into the petty cash account and not replenishing the account to the authorized amount, the district may be bypassing the approval process of the commissioners and causing a misstatement of their financial data. The district used the petty cash account as a convenience.

We recommend the district deposit all revenues with the county treasurer. We further recommend the district regularly replenish the petty cash account by warrant to restore it to the authorized amount.

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Schedule Of Findings) University Place Park And Recreation District

1. University Place Park And Recreation District Should Comply With Record Retention Requirements

University Place Park and Recreation District was not able to locate some of the records we requested during the audit. Minutes for several commissioners' meetings, mostly in 1993, were missing. In addition, the sports contracts and attached receipt information were being held only until the subsequent sports season.

The State Archivist and the State Auditor, under authority of RCW 40.14.070, have established a records retention schedule for municipal corporations which requires minutes to be held permanently and receipts to be held for six years.

The district was unaware of the records retention requirements. The lack of minutes and other records makes it difficult for the public to be kept informed on district activities.

We recommend the district retain official copies of minutes for all commissioners' meetings and retain all financial records in accordance with RCW 40.14.070.